



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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November 17, 1997

CERTIFIED RETURN RECEIPT

P 074 976 613

Russell P. Horton
Indian Queen Marble
P.O. Box 150271
East Ely, Nevada 89315

Re: Expansion Request, Indian Queen Marble, L.L.C., Indian Queen Mine, M/001/019,
Beaver County, Utah

Dear Mr. Horton:

The Division has evaluated your October 15, 1997 request, for approval to expand the current disturbed area of the Indian Queen Mine by 1.34 acres. Your letter outlined the reasons why this extension is required before the Division finalizes the processing of your large mining permit application. A \$15,000 interim surety remains in effect for this project. This surety amount was based upon an earlier Division estimate of approximately 10 acres of exploration and mining related disturbance. You have performed a more recent survey of these disturbed areas which indicates our earlier measurement was a conservative estimate. Contemporaneous reclamation has also been performed on some of the disturbed areas which effectively reduces the disturbed area to approximately five acres.

Given the extenuating circumstances which surround the need for continued production, the present review status of the large mine permit application, and the adequacy of the interim reclamation bond, the Division is prepared to grant your expansion request with the following conditions:

1. The operator will erect a series of steel fence posts or similar physical boundary markers which clearly delineate the exterior limits of the proposed 1.34 acre expansion. The markers shall be placed so that they are clearly visible from one to the next. No surface expansion or other mining-related activities may occur outside of this boundary until the large mining permit application is approved by the Division.

0002

Page 2

Russell P. Horton

M/001/019

November 17, 1997

2. This expansion is effective for a period of twelve (12) months from the date of this letter, or until the Large Mining Operations permit application is approved (whichever comes first).

Should you have questions or concerns regarding the conditions attached to this letter, please contact me or Tom Munson of my staff at (801)538-5286 and 538-5321 respectively.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

cc: Gary Applegate, Indian Queen
Mary Ann Wright, DOGM
Tom Munson, DOGM

m001019.req